

and other non-cash items, less total debt service and reasonable working capital needs.

In the event the Corporation shall have Free Cash Flow available to redeem shares of Class A Preferred Stock, a redemption notice shall be mailed, not less than 10 days prior to the redemption date, to each holder of record of the shares to be redeemed, at such holder's address as the same appears on the stock register of the Corporation. Each such notice shall state: (1) the redemption date; (2) the aggregate number of shares of Class A Preferred Stock to be redeemed and, if less than all the shares of Class A Preferred Stock held by such holder are to be redeemed, the number of such shares to be redeemed from such holder; (3) the Redemption Price; (4) the place or places where certificates for such shares are to be surrendered for payment of the redemption price; and (5) that dividends on the shares to be redeemed will cease to accrue on such redemption date. Upon surrender of the certificates for any shares to be redeemed (properly endorsed or assigned for transfer if the Board of Directors shall so require and the notice shall so state), such shares shall be redeemed by the Corporation at the Redemption Price. Notice having been mailed, from and after the redemption date (unless the Corporation shall default in providing money for the payment of the Redemption Price for the shares so called for redemption) dividends on the shares of the Class A Preferred Stock so redeemed shall cease to accrue and said shares shall no longer be deemed to be outstanding, and all rights of the holders thereof as stockholders of the Corporation (except the right to receive from the Corporation the Redemption Price for such shares) shall cease. If less than all the outstanding shares of Class A Preferred Stock are to be redeemed, the redemption shall be pro rata (as nearly as may be). A new certificate shall be issued representing the unredeemed shares without cost to the holder thereof. No failure to mail such notice or any defect in the notice or in the mailing, shall affect the validity of the proceedings for such redemption, except as to the holder to whom the Corporation has failed to mail such notice or whose notice was defective.

Notwithstanding the foregoing provisions of this Section, if any dividends on the Class A Preferred Stock are in arrears, no shares of Class A Preferred Stock shall be redeemed unless (a) the holders of two-thirds of the outstanding shares of Class A Preferred Stock shall have consented thereto or (b) all outstanding shares of the Class A Preferred Stock are simultaneously redeemed.

A holder of shares of Class A Preferred Stock has no preemptive right to acquire unissued shares of stock of the Corporation or securities convertible into such shares or carrying a right to subscribe to or acquire such shares and has no preemptive right to acquire treasury shares of the Corporation.

As long as any shares of Class A Preferred Stock are issued and outstanding, the Board of Directors shall cause the number of directors to be increased by two. For so long as any shares of Class A Preferred Stock are

outstanding, the holders of the shares of Class A Preferred Stock, voting as a class, shall have the exclusive right to nominate and vote for the election of the two additional directors to the Board of Directors. At such time as there are no longer any shares of Class A Preferred Stock outstanding, the Board of Directors shall cause the number of directors to be reduced by two.

4.5. Preferred Stock

The Board of Directors is authorized, subject to limitations prescribed by the Delaware General Corporation Law and the provisions of this Amended and Restated Certificate of Incorporation, to provide, by resolution or resolutions from time to time and filing a certificate pursuant to the applicable provision of the Delaware General Corporation Law, for the issuance of the shares of Preferred Stock in series, to establish from time to time the number of shares to be included in each such series, to fix the powers, designation, preferences, relative, participating, optional or other special rights of the shares of each such series and the qualifications, limitations and restrictions thereof.

4.6. Redemption

Notwithstanding any other provision of this Amended and Restated Certificate of Incorporation to the contrary, outstanding shares of stock of the Corporation shall always be subject to redemption by the Corporation, by action of the Board of Directors, if in the judgment of the Board of Directors such action should be taken, pursuant to Section 151(b) of the Delaware General Corporation Law or any other applicable provision of law, to the extent necessary to prevent the loss or secure the reinstatement of any license or franchise from any governmental agency held by the Corporation or any of its subsidiaries to conduct any portion of the business of the Corporation or any of its subsidiaries, which license or franchise is conditioned upon some or all of the holders of the Corporation's stock possessing prescribed qualifications. The terms and conditions of such redemption shall be as follows:

(A) The redemption price of the shares to be redeemed pursuant to this Section 4.6 shall be determined by the Board of Directors and shall be equal to the Fair Market Value (as defined herein) of such shares or, if such shares were purchased by a Disqualified Holder (as defined herein) within one year of the Redemption Date (as defined herein), the lesser of (i) the Fair Market Value of such shares and (ii) the purchase price paid by such Disqualified Holder for such shares;

(B) At the election of the Corporation, the redemption price of such shares may be paid in cash, Redemption Securities (as defined herein) or any combination thereof;

(C) If fewer than all shares held by Disqualified Holders are to be redeemed, the shares to be redeemed shall be selected in such manner as shall be determined by the Board of Directors, which may include selection first of the most recently purchased shares thereof, selection by lot or selection in any other manner determined by the Board of Directors;

(D) At least 30 days' prior written notice of the Redemption Date shall be given to any Disqualified Holder of shares selected to be redeemed (unless waived in writing by any such holder), provided that the Redemption Date may be the date on which written notice shall be given to such holder if the cash or Redemption Securities necessary to effect the redemption shall have been deposited in trust for the benefit of such holder and subject to immediate withdrawal by it upon surrender of the stock certificates for the shares to be redeemed;

(E) From and after the Redemption Date, any and all rights of whatever nature that any Disqualified Holder may have with respect to any shares selected for redemption (including without limitation any rights to vote or participate in dividends declared on stock of the same class or series as such shares) shall cease and terminate, and such Disqualified Holder shall thenceforth be entitled only to receive, with respect to such shares, the cash or Redemption Securities payable upon redemption; and

(F) Such additional terms and conditions as the Board of Directors shall determine.

For purposes of this Section 4.6:

- (i) "Disqualified Holder" shall mean any holder of shares of stock of the Corporation whose holding of such stock, either individually or when taken together with the holding of shares of stock of the Corporation by any other holders, may result, in the judgment of the Board of Directors, in the loss of, or the failure to secure the reinstatement of, any license or franchise from any governmental agency held by the Corporation or any of its subsidiaries to conduct any portion of the business of the Corporation or any of its subsidiaries.
- (ii) "Fair Market Value" of a share of the Corporation's stock of any class or series shall mean the average Closing Price (as defined herein) for such a share for each of the 45 most recent days on which shares of stock of such class or series shall have been traded preceding the day on which notice of redemption shall be given pursuant to paragraph (D) of this Section 4.6; provided, however, that if shares of stock of such class or series are not traded on any securities exchange or in the over-the-counter market, "Fair Market Value" shall be determined by the Board

of Directors in good faith. "Closing Price" on any day means the reported closing sales price or, in case no such sale takes place, the average of the reported closing bid and asked prices on the principal United States securities exchange registered under the Securities Exchange Act of 1934 on which such stock is listed, or, if such stock is not listed on any such exchange, the highest closing sales price or bid quotation for such stock on the National Association of Securities Dealers, Inc. Automated Quotations System or any system then in use, or if no such prices or quotations are available, the fair market value on the day in question as determined by the Board of Directors in good faith.

- (iii) "Redemption Date" shall mean the date fixed by the Board of Directors for the redemption of any shares of stock of the Corporation pursuant to this Section 4.6.
- (iv) "Redemption Securities" shall mean any debt or equity securities of the Corporation, any of its subsidiaries or any other corporations, or any combination thereof, having such terms and conditions as shall be approved by the Board of Directors and which, together with any cash to be paid as part of the redemption price, in the opinion of any investment banking firm selected by the Board of Directors (which may be a firm which provides other investment banking, brokerage or other services to the Corporation), has a value, at the time notice of redemption is given pursuant to paragraph (D) of this Section 4.6, at least equal to the price required to be paid pursuant to paragraph (A) of this Section 4.6 (assuming for purposes of such valuation, in the case of Redemption Securities to be publicly traded, such Redemption Securities were fully distributed and trading under normal conditions).

ARTICLE 5. BOARD OF DIRECTORS

5.1. Directors; Number; Election

The number of directors of the Corporation shall be such number as from time to time shall be fixed by, or in the manner provided in, the Bylaws of the Corporation. Unless and except to the extent that the Bylaws of the Corporation shall otherwise require, the election of directors of the Corporation need not be by written ballot. Except as otherwise provided in this Amended and Restated Certificate of Incorporation, each director of the Corporation shall be entitled to one vote per director on all matters voted or acted upon by the Board of Directors.

The Board of Directors shall be divided into three classes (designated as Class I, Class II, and Class III), as nearly equal in number as possible. At each annual meeting of stockholders, the successors to the Class of directors whose term shall then expire shall be elected to hold office for a term expiring at the third succeeding annual meeting and until their successors shall be elected and qualified. Except as set forth below with respect to vacancies and newly created directorships, directors shall be elected by a plurality of the voting rights represented by the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors.

If the number of directors is changed by resolution of the Board of Directors pursuant to this Article 5 or pursuant to Section 4.4.4, any increase or decrease shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible, but in no case shall a decrease in the number of directors shorten the term of an incumbent director.

Vacancies and newly created directorships resulting from any increase in the authorized number of directors elected by all of the holders of Class A Common Stock, Class B Common Stock and any other stockholders having the right to vote with the Class A Common Stock and the Class B Common Stock as a single class may be filled by a majority of the directors then in office, although fewer than a quorum, or by a sole remaining director. Whenever the holders of any class or classes of stock or series thereof are entitled to elect one or more directors by the provisions of this Amended and Restated Certificate of Incorporation, vacancies and newly created directorships of such class or classes or series may be filled by a majority of the directors elected by such class or classes or series thereof in office, or by a sole remaining director so elected. Each director so chosen shall hold office until the next election of directors, and until such director's successor is elected and qualified, or until the director's earlier death, resignation or removal. In the event that one or more directors resigns from the Board of Directors, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office until the next election of directors, and until such director's successor is elected and qualified, or until the director's earlier death, resignation or removal.

5.2. Management of Business and Affairs of the Corporation

The business and affairs of the Corporation shall be managed by or under the directors of the Board of Directors.

5.3. Limitation of Liability

No director of the Corporation shall be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, provided that this provision shall not eliminate or limit the liability of a director (a) for any breach of the director's duty of loyalty to the Corporation or its stockholders; (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (c) under Section 174 of the Delaware General Corporation Law; or (d) for any transaction from which the director derived an improper personal benefit. Any repeal or modification of this Section 5.3 shall be prospective only and shall not adversely affect any right or protection of, or any limitation of the liability of, a director of the Corporation existing at, or arising out of facts or incidents occurring prior to, the effective date of such repeal or modification.

ARTICLE 6. INDEMNIFICATION

Each person who was or is a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether by or in the right of the Corporation or otherwise (a "proceeding"), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee, partner (limited or general) or agent of another corporation or of a partnership, joint venture, limited liability company, trust or other enterprise, including service with respect to an employee benefit plan, shall be (and shall be deemed to have a contractual right to be) indemnified and held harmless by the Corporation (and any successor to the Corporation by merger or otherwise) to the fullest extent authorized by, and subject to the conditions and (except as provided in the Corporation's Bylaws) procedures set forth in the Delaware General Corporation Law, as the same exists or may hereinafter be amended (but such amendment shall not be deemed to limit or prohibit the rights of indemnification hereunder for past acts or omissions of any such person insofar as such amendment limits or prohibits the indemnification rights that said law permitted the corporation to provide prior to such amendment) against all expenses, liabilities and losses (including attorney's fees, judgments, fines, ERISA taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith.

ARTICLE 7. COMPROMISE OR ARRANGEMENTS

Whenever a compromise or arrangement is proposed between the Corporation and its creditors or any class of them and/or between the Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of the Corporation

or of any creditor or stockholder thereof or on the application of any receiver or receivers appointed for the Corporation under the provisions of Section 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for the Corporation under provisions of Section 279 of Title 8 of the Delaware Code order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of the Corporation, as the case may be, to be summoned in such manner as said court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of the Corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of the Corporation as a consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all of the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of the Corporation, as the case may be, and also on the Corporation.

ARTICLE 8. AMENDMENT OF CERTIFICATE OF INCORPORATION

The Corporation reserves the right, at any time and from time to time, to amend, alter, change, or repeal any provision contained in this Amended and Restated Certificate of Incorporation, and other provisions authorized by the laws for the State of Delaware at the time in force may be added or inserted, in the manner now or hereafter prescribed by law, except that Sections 5.1 (Election of Directors) and 5.2 (Limitation of Liability), Article 6 (Indemnification) and this Article 8 may not be altered, amended or repealed except by the affirmative vote of at least two-thirds of the voting rights represented by the shares entitled to vote thereon and the affirmative vote of a majority of the members of the entire Board of Directors; and all rights, preferences, and privileges of any nature conferred upon stockholders, directors, or any other persons whomsoever by and pursuant to this Amended and Restated Certificate of Incorporation in its present form or as hereafter amended are granted subject to the rights reserved in this Article 8.

ARTICLE 9. AMENDMENT OF BYLAWS

In furtherance and not in limitation of the powers conferred by the Delaware General Corporation Law, the Board of Directors of the Corporation is expressly authorized and empowered to adopt, amend and repeal the Bylaws of the Corporation.

IN WITNESS WHEREOF, McLeod, Inc. has caused this Amended and Restated Certificate of Incorporation to be signed and attested by its duly authorized officers, this 30th day of April, 1998.

McLeod, Inc.




By: _____

Name: Clark E. McLeod

Title: Chairman & Chief Executive Officer

ATTEST:



Name: CASEY D. MAHON
Title: Secretary

EXHIBIT 6
(Questions 14(a)(2), 15, 28)

Public Interest Statement

Grant of this application will serve the public interest by ensuring continued provision of telecommunications services to existing customers and by fostering competition in the telecommunications market. This transfer of control will allow the Applicants to manage their combined telecommunications operations more efficiently, permitting greater investment in facilities, customer services and technological innovation.

Public Land-Line Telephone Service

Illinois Consolidated Telephone Company ("ICTC") is authorized under Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, to provide local exchange services in Illinois. In addition, McLeod, through its subsidiary McLeodUSA Telecommunications Services, Inc., provides competitive local services in some regions of the country.

Trafficking

The requested transfer of control involves the Point-to-Point Microwave authorizations used by ICTC in providing its local exchange telecommunications services. ICTC will continue to provide those services as a wholly-owned subsidiary of McLeod. Therefore, no trafficking considerations under Section 21.39 of the Commission's Rules, 47 C.F.R. § 21.39 are involved.

Ownership, Officers and Directors

Information regarding the ownership, officers and directors of McLeod is contained in Exhibits VI and VII of the Form 430 Licensee Qualification Report attached to this filing.

Sale of Stock

As noted in Exhibit 3 above, McLeod will issue shares as part of the merger transaction. Further, as a publicly traded company, McLeod stock may be sold following consummation of the proposed merger.

EXHIBIT 7
(Questions 21, 22)

McLeod has interests in the direct and indirect control of licensed radio stations in the Broadband Personal Communications Service and the Point-to-Point Microwave Service. Over the course of time, McLeod and its subsidiaries have sold or let expire certain radio station licenses in the due course of business. Additional information about the McLeod-controlled licenses is contained in the Commission's files, and McLeod will provide any further information the Commission may require.

LICENSEE QUALIFICATION REPORT

See reverse for public
burden estimate

INSTRUCTIONS:

- A. The "Filer" of this report is defined to include: (1) An applicant, where this report is submitted in connection with applications for common carrier and satellite radio authority as required for such applications; or (2) A licensee or permittee, where this report is required by the Commission's Rules to be submitted on an annual basis.
- B. Submit an original and one copy (sign original only) to the Federal Communications Commission, Washington, DC 20554. If more than one radio service is listed in Item 6, submit an additional copy for each such additional service. If this report is being submitted in connection with an application for radio authority, attach it to that application.
- C. Do not submit a fee with this report.

| | | | |
|--|--|--|--|
| 1. Business Name and Address (Number, Street, State and ZIP Code) of Filer's Principal Office McLeodUSA Incorporated McLeodUSA Technology Park 6400 C Street, SW, P.O. Box 3177 Cedar Rapids, Iowa 52406-3177 | | 2. (Area Code) Telephone Number (319) 364-0000 | |
| | | 3. If this report supersedes a previously filed report, specify its date N/A | |
| 4. Filer is (check one): <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Other (Specify): | | 5. Under the laws of what State (or other jurisdiction) is the Filer organized? Delaware | |
| 6. List the common carrier and satellite radio services in which Filer has applied or is a current licensee or permittee: Point-to-Point Microwave Radio Service; Rural Radiotelephone Service Broadband Personal Communications Service; Paging and Radiotelephone Service | | | |
| 7 (a) Has the Filer or any party to this application had any FCC station license or permit revoked or had any application for permit, license or renewal denied by this Commission? If "YES", attach as Exhibit 1 a statement giving call sign and file number of license or permit revoked and relating circumstances. | | <input type="checkbox"/> YES | <input checked="" type="checkbox"/> NO |
| (b) Has any court finally adjudged the Filer, or any person directly or indirectly controlling the Filer, guilty of unlawfully monopolizing or attempting unlawfully to monopolize radio communication, directly or indirectly, through control of manufacture or sale of radio apparatus, exclusive traffic arrangement, or other means of unfair methods of competition? If "YES", attach as Exhibit II a statement relating the facts. | | <input type="checkbox"/> YES | <input checked="" type="checkbox"/> NO |
| (c) Has the Filer, or any party to this application, or any person directly or indirectly controlling the Filer ever been convicted of a felony by any state or Federal court? If "YES", attach as Exhibit III a statement relating the facts. | | <input type="checkbox"/> YES | <input checked="" type="checkbox"/> NO |
| (d) Is the Filer, or any person directly or indirectly controlling the Filer, presently a party in any matter referred to in Items 7(b) and 7(c)? If "YES", attach as Exhibit IV a statement relating the facts. | | <input type="checkbox"/> YES | <input checked="" type="checkbox"/> NO |
| 8. Is the Filer, directly or indirectly, through stock ownership, contract or otherwise, currently interested in the ownership or control of any other radio stations licensed by the Commission? If "YES", submit as Exhibit V the name of each such licensee and the licensee's relation to the Filer. | | <input checked="" type="checkbox"/> YES | <input type="checkbox"/> NO |
| See Exhibit V | | | |
| If Filer is an individual (sole proprietorship) or partnership, answer the following and Item 11: | | | |
| 9 (a) Full Legal Name and Residential Address (Number, Street, State and ZIP Code) of Individual or Partners: N/A | | (b) Is Individual or each member of a partnership a citizen of the United States? N/A <input type="checkbox"/> YES <input type="checkbox"/> NO | |
| | | (c) Is Individual or any member of a partnership a representative of an alien or of a foreign government? N/A <input type="checkbox"/> YES <input type="checkbox"/> NO | |

If Filer is a corporation, answer the following and Item 11:

- 10 (a) Attach as Exhibit VI the names, addresses, and citizenship of those stockholders owning of record and/or voting 10 percent or more of the Filer's voting stock and the percentages so held. In the case of fiduciary control, indicate the beneficiary(ies) or class of beneficiaries.

See Exhibit VI

- (b) List below, or attach as Exhibit VII the names and addresses of the officers and directors of the Filer.

See Exhibit VII

- (c) Is the Filer directly or indirectly controlled by any other corporation?

☐ YES ☒ NO

If "YES", attach as Exhibit VIII a statement (including organizational diagrams where appropriate) which fully and completely identifies the nature and extent of control. Include the following: (1) the address and primary business of the controlling corporation and any intermediate subsidiaries; (2) the names, addresses, and citizenship of those stockholders holding 10 percent or more of the controlling corporation's voting stock; (3) the approximate percentage of total voting stock held by each such stockholder; and (4) the names and addresses of the president and directors of the controlling corporation.

- (d) Is any officer or director of the Filer an alien?

☐ YES ☒ NO

- (e) Is more than one-fifth of the capital stock of the Filer owned of record or voted by aliens or their representatives, or by a foreign government or representative(s) thereof, or by a corporation organized under the laws of a foreign country?

☐ YES ☒ NO

- (f) Is the Filer directly or indirectly controlled: (1) by any other corporation of which any officer or more than one-fourth of the directors are aliens, or (2) by any foreign corporation or corporation of which more than one-fourth of the capital stock is owned or voted by aliens or their representatives, or by a foreign government or representatives thereof.

☐ YES ☒ NO

- (g) If any answer to questions (d), (e) or (f) is "YES", attach as Exhibit IX a statement identifying the aliens or foreign entities, their nationality, their relationship to the Filer, and the percentage of stock they own or vote.

11. CERTIFICATION

This report constitutes a material part of any application which cross-references it, and all statements made in the attached exhibits are a material part thereof. The ownership information contained in this report does not constitute an application for, or Commission approval of, any transfer of control or assignment of radio facilities. The undersigned, individually and for the Filer, hereby certifies that the statements made herein are true, complete and correct to the best of the Filer's knowledge and belief, and are made in good faith. The undersigned, individually and for the Filer, certifies that neither the applicant nor any other party to the application is subject to a denial of Federal benefits, that includes FCC benefits, pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. Section 862, because of a conviction for possession or distribution of a controlled substance.

WILLFUL FALSE STATEMENTS MADE ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. CODE, TITLE 18, SECTION 1001), AND/OR REVOCATION OF ANY STATION LICENSE OR CONSTRUCTION PERMIT (U.S. CODE, TITLE 47, SECTION 312(A)(1)), AND/OR FORFEITURE (U.S. CODE, TITLE 47, SECTION 503).

Filer (must correspond with that shown in Item 1)

Typed or Printed Name

McLeodUSA Incorporated

Casey D. Mahon

Signature

Title

Date

Senior Vice President

6/29/97

NOTICE TO INDIVIDUALS REQUIRED BY THE PRIVACY ACT OF 1974 AND THE PAPERWORK REDUCTION ACT OF 1995

The solicitation of personal information requested in this form is to determine if you are qualified to become or remain a licensee in common carrier or satellite radio service pursuant to the Communications Act of 1934, as amended. No authorization can be granted unless all information requested is provided. Your response is required to obtain the requested authorization or retain an authorization.

Public reporting burden for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate, or any other aspect of this collection of information, including suggestions for reducing the burden to Federal Communications Commission, Records Management Branch, Washington, DC 20554, Paperwork Reduction Project (3060-0105), or via the internet to dconway@fcc.gov. DO NOT SEND COMPLETED FORMS TO THIS ADDRESS. Individuals are not required to respond to a collection of information unless it displays a currently valid OMB control number.

EXHIBIT V
(Question 8)

McLeodUSA Incorporated ("McLeod") currently is the licensee of 25 "D" and "E" block Broadband Personal Communications Services licenses in Illinois, Iowa, Minnesota, Nebraska and South Dakota.

By means of applications that are being filed simultaneously with this Form 430, McLeod seeks Commission consent to control, directly or indirectly, Consolidated Communications Inc. ("CCI") and the following subsidiaries of CCI that hold FCC licenses: Illinois Consolidated Telephone Company, Consolidated Communications Mobile Services, Consolidated Communications Telecom Services, and Midwest Cellular Associates Limited Partnership. As a result of this transaction, CCI and its subsidiaries would become wholly-owned subsidiaries of McLeod. The above-mentioned CCI subsidiaries hold FCC licenses in the Point-to-Point Microwave Radio Services, Broadband Personal Communications Services, Rural Radio Services, and Paging and Radiotelephone Services.

EXHIBITS VI, VII
(Questions 10(a), 10(b))

Ownership

The current five percent or greater shareholders of McLeodUSA
Incorporated ("McLeod") are as follows:

| <u>Name and Address</u> | <u>Percentage Ownership</u> | <u>Citizenship</u> |
|--|------------------------------------|-----------------------------|
| IES Investments, Inc. 200 1st Street, S.E. Cedar Rapids, Iowa 52401 | 17.1 | U.S. Corporation |
| Clark E. McLeod Mary McLeod McLeodUSA Incorporated McLeodUSA Technology Park 6400 C Street, S.W. P.O. Box 3177 Cedar Rapids, Iowa 52406-3177 | 9.0 8.2 | U.S. |
| MWR Investments Inc. 500 E. Court Ave. Des Moines, Iowa 50309 | 15.7 | U.S. Corporation |
| Putnam Investment Management, Inc. One Post Office Square Boston, MA 02109 | 7.5 | U.S. Corporation |
| Allsop Venture Partners III, L.P. 2750 1st Ave. Cedar Rapids, Iowa 52402 | 7.4 | U.S. Limited Partnership |

As part of the transaction referenced above in Exhibit V, new shares of McLeod stock will be issued to existing holders of CCI common stock. As a result, the interests of the above McLeod shareholders will be diluted when the merger is consummated. McLeod does not currently anticipate that the issuance of McLeod stock to CCI shareholders will result in any new ten percent or greater shareholders of McLeod.

Officers and Directors

The address for the following proposed Officers and Directors of the filer will be c/o McLeodUSA Incorporated, McLeodUSA Technology Park, 6400 C Street, S.W., P.O. Box 3177, Cedar Rapids, Iowa 52406-3177. The proposed Officers and Directors of McLeod subsequent to the transaction described are as follows:

| <u>Name</u> | <u>Title</u> | <u>Director</u> |
|--------------------------|--|------------------------|
| Clark E. McLeod | Chairman, Chief Executive Officer | Yes |
| Richard A. Lumpkin | Vice Chairman | Yes |
| Stephen C. Gray | President, Chief Operating Officer | Yes |
| Blake O. Fisher, Jr. | Chief Financial Officer, Executive Vice President, Treasurer | Yes |
| Robert J. Currey | Executive Vice President | Yes |
| Kirk E. Kaalberg | Executive Vice President | -- |
| Stephen K. Brandenburg | Executive Vice President | -- |
| David M. Boatner | Executive Vice President | -- |
| Albert P. Ruffalo | Executive Vice President | -- |
| Arthur L. Christoffersen | Executive Vice President | -- |
| Casey D. Mahon | Senior Vice President, General Counsel and Secretary | -- |
| Russell E. Christiansen | -- | Yes |
| Thomas M. Collins | -- | Yes |
| Paul D. Rhines | -- | Yes |
| Lee Liu | -- | Yes |